

Message Text

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ACTION AID-05

INFO OCT-01 ARA-10 ISO-00 L-02 IGA-01 EB-06 AGR-10 SWF-01

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P 161720Z OCT 74

FM AMEMBASSY NASSAU

TO SECSTATE WASHDC PRIORITY 6086

UNCLAS NASSAU 1760

E.O. 11652: N/A

TAGS: EAID, BF

SUBJECT: BLRD: PROVISIONS FOR SUPERVISING PROJECT GENERATED FUNDS

FOR AID (AA/TA), DR. LONG

REF: NASSAU 1759

1. FURTHER TO REFTEL, THERE FOLLOWS THE PROPOSED TEXT OF TERMS FOR SUPERVISING BLRD PROJECT-GENERATED FUNDS; WHICH EMBASSY BELIEVES SHOULD BE MEMORANDUM OF UNDERSTANDING SIGNED BY AMBASSADOR AND MIN AGRIC.

BEGIN TEXT: PURSUANT TO THE PURPOSES OF PROJECT AGREEMENT NO 931-11-130-989-73-3138690, ENTITLED "LIVESTOCK RESEARCH AND DEVELOPMENT PROJECT", BETWEEN THE MINISTRY OF AGRICULTURE FISHERIES AND LOCAL GOVERNMENT OF THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS AND THE AGENCY FOR INTERNATIONAL DEVELOPMENT OF THE UNITED STATES GOVERNMENT, AN ACCOUNT ENTITLED "SPECIAL ACCOUNT - REVENUE" SHALL BE ESTABLISHED BY THE PROJECT BUSINESS MANAGER FOR THE PURPOSE OF RECEIVING FUNDS GENERATED UNDER THE PROJECT AGREEMENT OR FROM ANY SERVICES INCIDENT THERETO INCLUDING USE OF PROJECT EQUIPMENT FOR LAND CLEARING OPERATIONS. FUNDS WHICH ACCRUE IN THIS ACCOUNT SHALL BE ADDITIONAL TO CONTRIBUTION BY BOTH GOVERNMENTS INCLUDING THE \$10 MILLION PROVIDED BY THE U.S.G.

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UNDER THE PROJECT AGREEMENT.

DISBURSEMENTS FROM THIS ACCOUNT SHALL BE USED SOLELY FOR PROJECT PURPOSES, AS DETERMINED BY THE PROJECT MANAGER AND CO-MANAGER WITH EQUIPMENT MAINTENANCE COSTS HAVING FIRST PRIORITY AND CONSISTENT WITH THE APPROVED DETAILED PROJECT PLAN.

I. PROCEDURES

A. THIS SPECIAL ACCOUNT SHALL BE ESTABLISHED AT BARCLAYS BANK BY THE PROJECT BUSINESS MANAGER. ALL DISBURSEMENTS FROM THIS ACCOUNT SHALL BE MADE ONLY BY THE PROJECT BUSINESS MANAGER WITH THE PRIOR WRITTEN APPROVAL OF THE PROJECT MANAGER AND CO-MANAGER.

B. THE PROJECT BUSINESS MANAGER SHALL PREPARE A MONTHLY WRITTEN REPORT FOR THE MINISTRY AND THE PROJECT MANAGER AND CO-MANAGER SHOWING ALL RECEIPTS AND DISBURSEMENTS FROM THIS ACCOUNT.

C. THE MINISTRY WILL ESTABLISH WITH THE BANK OF DEPOSIT, BANK AND CONVERSION ARRANGEMENTS FOR THESE FUNDS WHICH SHALL BE FREE OF ANY AND ALL TAXES, FEES AND COMMISSIONS IN ORDER THAT THE PROJECT RECEIVE THE FULL BENEFIT OF ANY FUNDS GENERATED THEREUNDER.

D. UPON TERMINATION OF THE PROJECT AGREEMENT, FUNDS REMAINING IN THIS ACCOUNT SHALL BE TRANSFERRED TO THE MINISTRY AND CONTINUE TO BE USED FOR PROJECT PURPOSES.

II. FINANCIAL REPORTS AND RECORDS.

FINANCIAL RECORDS, INCLUDING DOCUMENTATION TO SUPPORT ENTRIES MADE PURSUANT TO THIS MEMORANDUM OF UNDERSTANDING SHALL BE SEPARATELY MAINTAINED IN ACCORDANCE WITH ACCOUNTING PRINCIPLES GENERALLY ACCEPTED AND CONSISTENTLY APPLIED, AND SHALL BE AVAILABLE FOR EXAMINATION BY PERSONNEL AUTHORIZED BY AID OF THE MINISTRY OF AGRICULTURE. ALL RECORDS, FINANCIAL OR OTHERWISE SHALL BE MAINTAINED FOR AT LEAST THREE YEARS AFTER THE TERMINATION OF THIS UNCLASSIFIED

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AGREEMENT. THE AID CONTROLLER AND THE COMPTROLLER GENERAL OF THE UNITED STATES, AND THE MINISTRY OF FINANCE OF THE BAHAMIAN GOVERNMENT OR THEIR DULY AUTHORIZED REPRESENTATIVES, RESERVE THE RIGHT TO CONDUCT AN AUDIT OF THE PROJECT BUSINESS MANAGER'S BOOKS AND RECORDS PERTAINING TO THIS "SPECIAL ACCOUNT-REVENUE" AGREEMENT TO DETERMINE (1) WHETHER THE PROJECT BUSINESS MANAGER'S FINANCIAL RECORDS HAVE BEEN MAINTAINED

IN ACCORDANCE WITH THE ACCOUNTING STANDARDS SET
FORTH ABOVE, AND (2) WHETHER THE PROJECT
BUSINESS MANAGER HAS EXPENDED ITS FUNDS AND IMPLEMENTED
ITS POLICIES IN ACCORDANCE WITH THE TERMS OF
THIS MEMORANDUM OF UNDERSTANDING. END TEXT.

2. IMPREST FUND AGREEMENT TO BE DISCUSSED WEDNESDAY,
OCTOBER 16. GCOB REPS STILL CONSULTING WITH
ATTORNEY GENERAL AND MINISTRY OF FINANCE.
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Message Attributes

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Capture Date: 01 JAN 1994
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Copy: SINGLE
Draft Date: 16 OCT 1974
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Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974NASSAU01760
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Document Unique ID: 00
Drafter: n/a
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